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United Nations Institute for Training and Research

Report of the Secretary-General**

Summary

The present report focuses on the financial implications of or cost estimate for the core training activities of the United Nations Institute for Training and Research (UNITAR), known as core diplomatic training, as opposed to the Institute's training and capacity-development activities in fields unrelated to diplomatic training. Through its core diplomatic training activities, UNITAR trains diplomats at major United Nations locations to perform effectively in a multilateral context.

The financial evidence provided in the present report confirms that core diplomatic training is chronically underfunded, despite the solid financial footing of the Institute overall, the constant and growing need for such training and efforts to raise funds for that activity through special project grants. Indeed, while a greater number of Member States are requesting the services of UNITAR for remunerated diplomatic training for their country officials, a decreasing number are contributing to the Institute through voluntary contributions, which ensure that multilateral training relating to diplomacy can continue to be offered in a multilateral setting. The funding of earmarked projects, or UNITAR special purpose grant programmes, for activities not related to core diplomatic training continues to increase satisfactorily, with a 75 per cent increase between the bienniums 2002-2003 and 2004-2005. By contrast, since the late 1980s, the Institute has witnessed a progressive decline in voluntary contributions, which currently represent only 2.4 per cent of its total budget.

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The universal character of core diplomatic training is both its principal strength and its principal weakness. All Member States have access to and may benefit equally from such training. As it is a universal service, the burden of covering a portion of the costs involved must fall on the collective membership of the United Nations. Given the negative impact that ending core diplomatic training would have on the overall performance of diplomats, in particular those from developing and the least developed countries, in carrying out in their multilateral duties, the Secretary-General recommends that an annual subvention of $600,000, representing half of the costs for such training, be granted to the Institute from the United Nations regular budget to cover costs relating to it. This recommendation reaffirms the recommendation made by the Secretary-General in his report to the General Assembly at its sixty-second session (A/62/377), in which he also called upon the Fifth Committee to reconsider the issue of financing the core training activities of UNITAR from the United Nations regular budget.

I. Introduction

1. The present report has been prepared in compliance with paragraph 11 of General Assembly resolution 62/210, in which the Assembly, inter alia, requested the Secretary-General to submit to the Economic and Social Council at its substantive session of 2008 a report on the implementation of that resolution, including details on its financial implications, and the status of contributions to and the financial situation of the United Nations Institute for Training and Research (UNITAR).

2. The present report is considered a special report; henceforth all reporting on UNITAR will take place on a biennial basis beginning in 2009. In compliance with paragraph 10 of General Assembly resolution 62/210, future reports of the Secretary-General and the Executive Director of the Institute will be consolidated; the new consolidated report of the Secretary-General will be submitted to the Economic and Social Council rather than to the General Assembly; and a biennial reporting cycle will be established starting from 2009.

3. The focus of the present report pertains to paragraph 9 of resolution 62/210, which refers to more predictable and adequate support from Member States, in particular for the core training activities of the Institute, known as core diplomatic training. These activities are distinct from the Institute's training and capacity-development activities in other fields, which have a much wider target audience and encompass broader thematic areas than that of multilateral diplomacy.

4. As noted by the Secretary-General in his report to the General Assembly (A/62/377, para. 4), to date UNITAR is totally self-funded and does not receive contributions from the United Nations regular budget for its activities. The level of the voluntary contributions to the General Fund remains very low, however, putting at risk the core diplomatic training of the Institute.

5. In paragraph 47 of that report, the Secretary-General recommended that, as a first priority, the Fifth Committee should reconsider the issue of financing UNITAR core diplomatic training from the United Nations regular budget. He also recommended that, in parallel, Member States should commit to increasing or resuming their contributions to the Institute.

6. Section II of the present report explains the particularities of the core diplomatic training activities of the Institute. It describes the unique character of that form of training; provides information on the increasing demand for it; outlines the complexities of funding such a universal service; and explains what the impact would be if the service were no longer offered to diplomats.

7. Section III examines the implementation costs of core diplomatic training and the financial implications involved in maintaining the service. It outlines the comprehensive financial situation of UNITAR, including the levels of voluntary contributions to the Institute; provides details about how core diplomatic training has been supported thus far and the actual expenditures incurred in the previous biennium and forecasted expenditures for the current and future bienniums; and presents a cost/benefit analysis of such training, the costs per beneficiary and a market survey of comparable services offered outside the United Nations context. Further, it sets out the positive and negative aspects of options other than recourse to the United Nations regular budget, most notably that of a fee-based system.

8. The report does not include a description of the activities designed and conducted by the Institute since the submission of the report of the Secretary-General to the General Assembly at its sixty-second session (A/62/377). A complete report on the activities of UNITAR will be submitted by the Secretary-General to the Economic and Social Council in 2009.

II. Core diplomatic training

9. Since 1965, UNITAR has been tasked with increasing the efficiency of the United Nations through training and capacity development in the areas of maintaining peace and security and promoting social and economic development. In line with its present strategic reforms, endorsed in the report of the Secretary-General and by the Board of Trustees of UNITAR on 7 December 2007, the Institute is moulding itself into a centre of excellence as measured by international standards and is recognized within and outside the United Nations system for standard-setting methodologies, high-quality training and research capacity on knowledge systems.

10. UNITAR plays a special role within the United Nations system as an autonomous body and as the principal learning institute for Member States. Anchored by United Nations priorities, it maintains a degree of flexibility in order to provide timely response to the capacity-building needs of Member States. Core diplomatic training relates to international cooperation and multilateral diplomacy and is traditionally considered the core training activity of the Institute. Core diplomatic training accounts for 5.5 per cent of the 80,000 people trained each year, who include Government officials and representatives of international and regional organizations, local authorities, civil society, the private sector and academia.

11. In total, about 4,000 diplomats posted at United Nations locations, including United Nations Headquarters in New York and the United Nations Offices at Geneva, Nairobi and Vienna, benefited from core diplomatic training in 2006-2007. Training activities offered included orientation courses on the United Nations system and its functioning; briefings on the General Assembly and its Main Committees, the Security Council and the Economic and Social Council; and workshops on the drafting of United Nations resolutions, negotiation and mediation, multilateral conference diplomacy, the chairing of international conferences, effective interventions, public speaking and presentation skills, United Nations elections processes and procedures, the undertaking of treaty actions and the retrieval and use of United Nations documentation.

12. The Institute systematically evaluates core diplomatic training activities through questionnaires to obtain immediate and direct feedback from the beneficiaries. In 2007, data from evaluations conducted on core diplomatic training activities indicated that 83 per cent of beneficiaries considered that the objectives of their training had been met; 96 per cent confirmed the relevance of the activity to their professional duties; and 98 per cent responded that they would recommend similar training to their colleagues.

13. Many core diplomatic training activities are implemented in partnership with other bodies of the United Nations system, in line with the priorities reflected in General Assembly resolutions 60/213 and 62/210, which, inter alia, reaffirmed the

importance of a coordinated United Nations system-wide approach to research and training and the relevance of training-related research activities.

14. While the Institute continues to respond to the needs of developing countries, as outlined in its statute, the actual beneficiaries of core diplomatic training are both developing and developed countries, with a ratio close to 3:2 of developing to developed country participants in 2006-2007.

15. There is a steady increase in demand by all Member States for high-quality, practice-oriented core diplomatic training. In paragraph 6 of its resolution 60/213, the General Assembly encouraged UNITAR to extend such training to cities hosting regional commissions.

16. This demand is separate from the bilateral requests from Member States for diplomatic training from the Institute. In 2006-2007, UNITAR received more than 30 requests from Member States for such training at the country level, principally for officials of ministries of foreign affairs in their respective capitals. Those requests bear testimony to the quality of the Institute's activities and the increasing demand for diplomatic training. However, such requests are independent of those for core diplomatic training, as they are not made in an open multilateral context.

17. While a greater number of Member States are requesting the services of UNITAR for remunerated diplomacy training for their country officials, a decreasing number are contributing to the Institute through voluntary contributions, which ensure that multilateral training on diplomacy can continue to be offered in a multilateral setting.

18. The universal character of core diplomatic training is both its principal strength and its principal weakness. Core diplomatic training is a universal service accessible to all diplomats where it is offered: one country's use of core diplomatic training does not preclude other Member States from enjoying its benefits. In 2006-2007, 186 Member States — close to 97 per cent of the total membership of the United Nations — benefited from core diplomatic training. By definition, core diplomatic training implies multilateral training offered in a multilateral context. All Member States, and the United Nations collectively, benefit from knowing more about how to operate in a multilateral setting and perform effectively and efficiently. Much of the experience of core diplomatic training involves learning together within a global student body of fellow diplomats.

19. It can safely be assumed that, without core diplomatic training, many diplomats would find themselves with fewer opportunities to gain the awareness, knowledge and skills base that are essential if they are to perform effectively in the working environment of the United Nations. Such a situation would have a negative impact on most Member States, and in particular the developing and least developed countries.

III. Financial situation of the Institute and cost estimate for core diplomatic training

20. To date, UNITAR is totally self-funded and does not receive any contributions from the United Nations regular budget for its activities.[1] With a current biennial budget of $36 million, UNITAR has the second largest annual budget in the family of United Nations training and research institutes.

21. The funding of earmarked projects, or UNITAR special purpose grant programmes, for activities not related to core diplomatic training continues to increase satisfactorily. For instance, there was a 75 per cent increase between 2002-2003 and 2004-2005 owing to increased contributions for special purpose grants from Member States and the private sector. Similarly, the increase since the previous biennium is expected to be at least 26 per cent. These significant increases reflect the overall satisfaction of Member States with the Institute's performance and its ability to deliver high-quality training and capacity-development services.

22. The critical financial situation with regard to core diplomatic training, however, contrasts starkly with the overall solid financial footing of the Institute. As indicated in the statute of the Institute, the costs of implementing core diplomatic training have traditionally been covered by non-earmarked voluntary contributions from Member States. Since the late 1980s, the Institute has witnessed a progressive decline in voluntary contributions. The current level of such contributions represents only 2.4 per cent of the total budget of the Institute.

23. Given the decreasing levels of voluntary contributions, the Institute has been able to sustain core diplomatic training only on a deficit basis, resorting to covering a portion of its costs through the programme support charged to special purpose grants not related to core diplomatic training. While donors contributing to special purpose grant projects not related to core diplomatic training accept the use of programme support funds for the general administration of the Institute, such funds should not be used for financing upwards of 30 per cent of core diplomatic training activities, as they have been in the past. Since 2007, the Institute's leadership has introduced more transparent accounting for all special purpose grants, which makes the old approach unsustainable.

24. The issue of the viability of core diplomatic training was raised in the Second Committee in 2007, following the issuance of the report of the Secretary-General, which indicated that the very low level of voluntary contributions to the General Fund puts at risk the core training programmes of the Institute (A/62/377, para. 4). In its resolution 62/210, the General Assembly called for more predictable and adequate support for core diplomatic training.

25. Since 1994, the Board of Auditors has called upon the Institute to strengthen its fund-raising strategy in order to improve the volume of voluntary contributions. The Institute has responded to such requests in a number of ways, including through extensive and intensive bilateral and multilateral contacts with Member States over

[1] In 2003, by its resolution 58/272, the General Assembly decided to cancel the debt of UNITAR in respect of rent and maintenance charges in the amount of $321,184 for the period up until 2002. Further, in its resolution 60/248, the General Assembly provided a one-off subvention to the Institute in the amount of $242,400 to cover past rental rates, maintenance and other administrative costs.

the years. Furthermore, since 2006-2007, the Institute has adopted an aggressive fund-raising strategy to secure special purpose grants for the purpose of carrying out core diplomatic training activities. In the previous biennium, the Institute was successful in securing almost $600,000 in special purpose grants for such activities. It is worth noting, however, that those monies were provided through private sector contributions and not by Member States. The Institute expects to generate a similar amount in special purpose grants for core diplomatic training from similar sources in the years to come.

26. The total budget for core diplomatic training in 2006-2007 was $2,070,000. Voluntary contributions from the General Fund were used to pay for 41 per cent of the costs of core diplomatic training. An additional 29 per cent was paid for through the special purpose grants referred to in paragraph 25 above. The shortfall of 30 per cent was covered by the support funds generated by special purpose grants not related to core diplomatic training, a practice that will have to come to an end in the current biennium (see para. 23 above).

27. The total expected cost of core diplomatic training for 2008-2009 is $2,400,000. Voluntary contributions to cover the costs of such training for that period are expected to reach $600,000. An additional $600,000 is expected to be generated by special purpose grants for core diplomatic training activities. The shortfall for 2008-2009 will therefore be in the amount of $1,200,000. This trend is likely to be maintained for the foreseeable future unless Member States request UNITAR to increase the number of locations where core diplomatic training is provided.

28. The average cost of core diplomatic training per participant per activity is highly competitive. The average daily rate for core diplomatic training by the Institute is $170 per participant per activity. A broad-brush market survey of other training courses in related fields offered by the private sector at major United Nations locations reveals that the average costs of capacity-building workshops per day range from $360 to $1,033.

29. While pricing on comparable services is useful, it is worth considering the unique character of the core diplomatic training provided by UNITAR. Indeed, no other entity offers comprehensive training on the United Nations, for the United Nations and by the United Nations, and it could be argued that no non-United Nations entity is in a position to do so. In terms of other United Nations training institutes, none has a training mandate which focuses on Member States and the full range of topics addressed through the work of UNITAR.

30. The Board of Auditors has encouraged the Institute to consider other means of financing core diplomatic training. The most common proposal has been to charge Member States according to a "pay as you go" or fee-based system for each participant undertaking core diplomatic training activities. I endorse the view expressed by the Board of Trustees of the Institute in 2006 in its conclusions and recommendations stressing the need to ensure that least developed countries benefit as easily as wealthier nations from such training activities. In this respect, I fear that a fee-based system would discriminate against the neediest countries, while targeting only developed countries would undermine the universal nature of the programme.

IV. Recommendations

31. Multilateral training on diplomacy can and should continue to be offered in a multilateral setting. It is an essential element of the reform desired by the Secretary-General. The burden of covering the costs of core diplomatic training, which is a universal service, must fall on the collective membership of the United Nations. Support from the United Nations regular budget would be a show of solidarity for continuous learning and for reform efforts to make the United Nations a venue for effective and efficient decision-making.

32. Given the negative impact that ending core diplomatic training would have on the overall performance of diplomats, in particular those from developing and least developed countries, in carrying out their multilateral duties, the Secretary-General recommends, as he did in his earlier report (A/62/377, para. 47), that, as a first priority, the Fifth Committee should reconsider the issue of financing UNITAR core training activities from the United Nations regular budget. In parallel, Member States should commit themselves to increasing or resuming their contributions to the Institute.

33. Specifically, the Secretary-General, in the light of the financial information provided in the present report, recommends that an annual subvention of $600,000, or half the costs of core diplomatic training, be granted from the United Nations regular budget.

34. Action on this front should in no way prejudice calls by the General Assembly, in its resolutions 60/213 and 62/210, encouraging the Board of Trustees to continue its efforts to broaden its donor base and further increase the contributions to the General Fund and other sources of funding for core diplomatic training. Nor should it be considered a request for funding activities other than those outlined in the present report.